Form (2)
Sr.No ....
Dated..........

The Myanmar Investment Commission

PERMIT

Permit No. 413/2007 Date 10th JANUARY, 2007.

The Myanmar Investment Commission issues this Permit under Section 10 of the Union of Myanmar Foreign Investment Law -

(a) Name of Promoter DIRECTOR GENERAL, ENERGY PLANNING DEPARTMENT

(b) Citizenship MYANMAR

(c) Address BUILDING NO.6, NAY PYI TAW, MYANMAR

(d) Name and address of principal organization MINISTRY OF ENERGY BUILDING NO.6, NAY PYI TAW, MYANMAR

(e) Place of incorporation CAYMAN ISLANDS

(f) Type of business in which investment is to be made CRUDE OIL AND NATURAL GAS EXPLORATION AND PRODUCTION

(g) Place (s) at which investment is permitted BLOCK AD-1 RAKHINE OFFSHORE DEEP WATER AREA

(h) Amount of foreign capital US$ 45.00 Million

(i) Period for bringing in foreign capital 2007 to 2012

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US $ 45.00 MILLION

(k) Permitted duration of investment 5 YEARS + 1 YEARS (W.E.F 10.1.2012) + 4 YEA AND 6 MONTHS (w.e.f 10.1.2013 to 9.7. 2017)

(l) Name of the economic organization to be formed in Myanmar CNPC INTERNATIONAL LIMITED

Amended as per resolution made by the Myanmar Investment Commission at its meeting (31/2012) dated (17.10.2012)

for Chairman
(Aung Naing Oo)
Director Gener

Amended as per resolution made by the Myanmar Investment Commission at its meeting (3/2010) dated (26.1.2010)

Thuyain Zaw
8/4/10
(Col.Thuyain Zaw)
Secretary

U Thaung

Chairman
The Myanmar Investment Commission

ပုံစံ (၂)

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၄၁၃/၂၀၀၇ ၂၀၀၇ ခုနှစ်ဇန်နဝါရီ လ ၁၀ ရက်။

ပြည်ထောင်စုမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၀ အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် –

(က) ကမကထပြုသူ၏အမည် ညွှန်ကြားရေးမှူးချုပ်၊ စွမ်းအင်စီမံရေးဦးစီးဌာန

(ခ) မည်သည့်နိုင်ငံသား မြန်မာ

(ဂ) နေရပ်လိပ်စာ ရုံးအမှတ် (၆)၊ နေပြည်တော်

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ စွမ်းအင်ဝန်ကြီးဌာန ရုံးအမှတ် (၆)၊ နေပြည်တော်

(င) ဖွဲ့စည်းရာအရပ် CAYMAN ISLANDS

(စ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်မည့်လုပ်ငန်းအမျိုးအစား ရေနံစိမ်းနှင့်သဘာဝဓာတ်ငွေ့ရှာဖွေတူးဖော်ခြင်းနှင့်ထုတ်လုပ်ခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်ခွင့်ပြုသည့်အရပ်ဒေသ(များ) လုပ်ကွက်အမှတ်၊ AD-1 ရခိုင်ကမ်းလွန်ရေနက်ပိုင်းဒေသ

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း အမေရိကန်ဒေါ်လာ (၄၅.၀၀) သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ၂၀၀၇ခုနှစ်မှ ၂၀၁၂ခုနှစ်အထိ

(ည) စုစုပေါင်း မတည်ငွေရင်း ပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ (၄၅.၀၀) သန်း နှင့်ညီမျှသောမြန်မာကျပ်ငွေ

(ဋ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့်သက်တမ်း ၅ နှစ် + ၁နှစ် (၁၀.၁.၂၀၁၂) နေ့မှစ၍ + ၄နှစ်၆လ (၁၀.၁.၂၀၁၃မှ ၉.၇.၂၀၁၇ထိ)

(ဌ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေးအဖွဲ့အစည်းအမည် CNPC INTERNATIONAL LIMITED

(၁၇.၁၀.၂၀၁၂)နေ့တွင်ကျင်းပသည့်ကော်မရှင်အစည်းအဝေးအမှတ်စဉ်(၃၀/၂၀၁၂) ဆုံးဖြတ်ချက်အရပြင်ဆင်သည်။

ဥက္ကဋ္ဌ(ကိုယ်စား)
(အောင်နိုင်ဦး)
ညွှန်ကြားရေးမှူးချုပ်

(၂၆.၁.၂၀၁၀)နေ့တွင်ကျင်းပသည့်မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်အစည်းအဝေးအမှတ်စဉ်(၃/၂၀၁၀) ဆုံးဖြတ်ချက်အရပြင်ဆင်သည်။

၈/၄/၁၀
(ဗိုလ်မှူးကြီးသူရိန်ဇော်)
အတွင်းရေးမှူး

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

Form (2)

Annexe-3

Republic of the Union of Myanmar ★ Myanmar Investment Commission
Sr.No.............
Date.............

THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION

Amendment on Permit No. 413/2007, dated 10th January, 2007

The Myanmar Investment Commission had approved that the third renewal of the tenure of "CNPC International Limited (Block AD-1)" for the extension of up to 2(two) years.

(k) Permitted duration of investment 5 YEARS + 1 YEAR+ 4 YEARS AND 6 MONTHS + 2 YEARS (W.E.F 10-7-2017).

(Mya Thuza)
Joint Secretary

Date: 8 November 2016
Location: Yangon

ပုံစံ(၂)
ပူးတွဲ - ၃

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

၂၀၀၇ ခုနှစ် ဇန်နဝါရီလ ၁၀ ရက်နေ့ ရက်စွဲပါ ခွင့်ပြုမိန့်အမှတ်- ၄၁၃/၂၀၀၇ တွင်ပြင်ဆင်ချက်

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်မှ "CNPC International Limited (AD-1)" ၏ တတိယအကြိမ် သက်တမ်းတိုးမြှင့်ခြင်းကို (၁၀-၇-၂၀၁၇) ရက်နေ့မှ (၉-၇-၂၀၁၉)ရက်နေ့အထိ နောက်ထပ် ၂ နှစ် သက်တမ်း ထပ်မံတိုးမြှင့်ပြင်ဆင်လိုက်သည်။

(ဃ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့်သက်တမ်း ၅ နှစ် +၁ နှစ် +၄ နှစ် ၆လ+ ၂ နှစ်
(၁၀-၇-၂၀၁၇) နေ့မှစ၍

(မြသူဇာ)
တွဲဖက်အတွင်းရေးမှူး

ရက်စွဲ၊ ၂၀၁၆ ခုနှစ် နိုဝင်ဘာလ ၈ ရက်
နေရာ၊ ရန်ကုန်မြို့

Republic of the Union of Myanmar
Myanmar Investment Commission
Sr.No. 443
Date 29.9.2017

Form (2)

Annexe-2

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

Amendment on Permit No. 413/2007, dated 10th January, 2007

The Myanmar Investment Commission, at its meeting (12/2017) held on 29th August 2017 had approved the transfer of 50% shares of CNPC International Limited to Woodside Energy (Myanmar) Pte. Ltd. . Hence, the name of the company be amended to CNPC International Limited and Woodside Energy (Myanmar) Pte. Ltd. .

(1) Name of Company incorporated in Myanmar CNPC INTERNATIONAL LIMITED AND WOODSIDE ENERGY (MYANMAR) PTE. LTD.

(Aung Naing Oo)
Secretary

Date: 29 September 2017
Location: Yangon

ပုံစံ(၂)

ပူးတွဲ - ၂

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

၂၀၀၇ ခုနှစ် ဇန်နဝါရီလ ၁၀ ရက်နေ့ ရက်စွဲပါ ခွင့်ပြုမိန့် အမှတ် ၄၁၃/၂၀၀၇ တွင် ပြင်ဆင်ချက်

၂၀၁၇ ခုနှစ် ဩဂုတ်လ ၂၉ရက်နေ့တွင် ကျင်းပပြုလုပ်သော မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်၏ ၁၂/၂၀၁၇ အစည်းအဝေး ဆုံးဖြတ်ချက်အရ CNPC International Limited ၏ အစုရှယ်ယာ ၅၀ % အား Woodside Energy (Myanmar) Pte. Ltd. သို့ လွှဲပြောင်းခွင့် ရရှိပြီးဖြစ်သဖြင့် ကုမ္ပဏီအမည်အား CNPC International Limited and Woodside Energy(Myanmar) Pte. Ltd. သို့ ပြင်ဆင် ပြောင်းလဲလိုက်သည်။

(၄) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် CNPC INTERNATIONAL LIMITED AND WOODSIDE ENERGY (MYANMAR) PTE. LTD.

(အောင်နိုင်ဦး)

အတွင်းရေးမှူး

ရက်စွဲ၊ ၂၀၁၇ ခုနှစ် စက်တင်ဘာလ ၂၉ ရက်

နေရာ၊ ရန်ကုန်မြို့

Confidential

Republic of the Union of Myanmar
Sr.No. 449
Date 29.9.2017
Myanmar Investment Commission

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

No.1, Thitsar Road, Yankin Township, Yangon.

Tel - 95-1-658130 Our ref: MIC - 5(E)/ Na -583/2017(449)

Fax - 95-1-658142 Date : 29 September 2017

Subject: **Decision of the Myanmar Investment Commission for transfer of shares.**

Reference: Ministry of Electricity and Energy, Letter No. Energy/ Policy-Legal- Inspection/ 04(378/ 2017) dated 6-9-2017.

1. The Myanmar Investment Commission, at its meeting 12/2017 held on dated 29th August 2017 had approved the transfer of 50% shares of CNPC International Limited to Woodside Energy (Myanmar) Pte. Ltd.

2. Hence, the name of the company is hereby amended to CNPC International Limited (50%) and Woodside Energy (Myanmar) Pte. Ltd. (50%) according to the Permit No. 413/ 2007 dated (10-1-2007). (Block AD -1)

3. It is also hereby notified that CNPC International Limited and Woodside Energy (Myanmar) Pte. Ltd. shall have to abide by all terms and conditions stated in the Commission's letter No. Ya Ka-1/ Na-583/ 2007(228- G) dated 10th January 2007, Ya Ka-7(Kha)/ Na-271/ 2010 (5650) dated 8th April 2010, Yaka-7 (kha)/ Na- 271/ 2012(11866- C) dated 6th December 2012 and DICA- 5(E)/ Na-571/ 2016 (512) dated 8th November 2016.

for Chairman,

(Aung Naing Oo, Secretary)

Managing Director

Myanma Oil & Gas Enterprise

cc. 1. Office of the Government of the Republic of the Union of Myanmar

2. Ministry of Home Affairs

3. Ministry of Natural Resources and Environmental Conservation
4. Ministry of Electricity and Energy
5. Ministry of Labour, Immigration and Population
6. Ministry of Commerce
7. Ministry of Planning and Finance
8. Central Bank of Myanmar
9. Rakhine Region Investment Committee
10. Office of Rakhine Region Government
11. Director General, Department of Environmental Conservation
12. Director General, Immigration and National Registration Department
13. Director General, Directorate of Labour
14. Director General, Department of Trade
15. Director General, Directorate of Investment and Company Administration
16. Director General, National Archives
17. Director General, Internal Revenue Department
18. Director General, Customs Department
19. Rakhine Region Office, Directorate of Investment and Company Administration
20. CNPC International Limited
21. Woodside Energy (Myanmar) Pte. Ltd.

Republic of the Union of Myanmar ★ Myanmar Investment Commission ★
Sr.No.................
Date.................

THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
No.1, Thitsar Road, Yankin Township, Yangon.

Tel - 95-1-658130
Fax - 95-1-658142

Our ref: DICA-5(E)/Na-571/2016(512)
Date : 8th November 2016

Subject: **Decision of the Myanmar Investment Commission to renew the tenure of CNPC International Limited**

Reference: Ministry of Electric Power and Energy, Letter No. Energy/Policy-Legal- Inspection /04 (259/2016) dated 13-10-2016

1. The Myanmar Investment Commission had approved to renew the tenure of "CNPC International Limited" (Block AD-1) in Rakhine Offshore Area for the extension of 2(two) years.

2. Hence, the renewal of the tenure is hereby extendable for another 2(two) years commencing from (10-7-2017) up to (9-7-2019). Accordingly, this will also extend the validity of Permit No. 413/2007 dated 10th January, 2007 up to above.

3. It is also hereby notified that CNPC International Limited shall have to abide by all terms and conditions stated in the Commission's letter No. Ya Ka-1/ Na-583/ 2007 (228-G) dated 10th January 2007.

for Chairman
(Mya Thuza, Joint Secretary)

Managing Director
Myanma Oil and Gas Enterprise

cc: 1. Office of the Government of the Republic of the Union of Myanmar
2. Ministry of Home Affairs
3. Ministry of Natural Resources and Environmental Conservation
4. Ministry of Electric Power and Energy
5. Ministry of Labour, Immigration and Population
6. Ministry of Commerce
7. Ministry of Planning and Finance

8. Central Bank of Myanmar
9. Office of the Rakhine State Government
10. Director General, Environmental Conservation Department
11. Director General, Directorate of Labour
12. Director General, Department of Trade
13. Director General, Directorate of Investment and Company Administration
14. Director General, National Archives Department
15. Director General, Internal Revenue Department
16. Director General, Customs Department
17. CNPC International Limited

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

Building No.(32), Nay Pyi Taw

Our ref : Yaka-7(kha)/Na-271/2012(11866-c) Tel: 067-406334, 406075

Dated : 6 December 2012. Fax: 095-067-406333

Subject: **Decision of the Myanmar Investment Commission to renew the tenure of CNPC International Ltd. (Block AD-1) in Rakhine Offshore Deep Water Area for the extension period of four years and six months.**

Reference: Ministry of Energy, Letter No. 008 / 728/ Hta (991/2012) dated (27-11-2012).

1. The Myanmar Investment Commission, at its meeting (31/2012) held on (17-10-2012) resolved to approve the renewal of the tenure of CNPC International Ltd. (Block AD-1) in Rakhine Offshore Deep Water Area for the extension period of four years and six months.

2. Hence, the renewal of the tenure is hereby extendable for another four years and six months starting from (10-1-2013) up to (9-7-2017). Accordingly, this will also extend the validity of Permit No. 413/2007 dated (10-1-2007) up to above.

3. It is also hereby notified that CNPC International Ltd. (Block AD-1) shall have to abide by all terms and conditions stated in the Commission's Letter No. Ya Ka-1/ Na-584/2007 (228-F) dated (10-1-2007).

For Chairman

(Aung Naing Oo, Director General)

Managing Director
Myanma Oil and Gas Enterprise

Director General
Energy Planning Department

CC.

1. Office of the Government of the Republic of the Union of Myanmar
2. Ministry of National Planning and Economic Development
3. Ministry of Finance and Revenue
4. Ministry of Commerce
5. Ministry of Energy
6. Ministry of Foreign Affairs
7. Ministry of Home Affairs
8. Ministry of Immigration and Population
9. Ministry of Labour, Employment and Social Security
10. Director General, Directorate of Investment and Company Administration
11. Director General, Customs Department
12. Director General, Internal Revenue Department
13. Managing Director, Myanma Foreign Trade Bank
14. Managing Director, Myanma Investment and Commercial Bank
15. Managing Director, Myanma Insurance
16. Director General, Directorate of Trade
17. Director General, Immigration and National Registration Department
18. Director General, Directorate of Labour
19. Chairman, the Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)
20. CNPC International Ltd. (Block AD-1).

UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

Building No.(32), Nay Pyi Taw

Our ref : Ya Ka-7(Kha)/Na- 271/ 2010(5650) Tel: 067-406334,406075

Date : 8th April 2010. Fax: 95-67-406333

Subject : Decision of the Myanmar Investment Commission to renew the tenure of CNPC International Ltd. (Block AD-1) for the extension of one year.

Reference: (1) Ministry of Energy, Letter No. 008/ 728 Hta dated (19-1-2010)

(2) Ministry of Energy, Letter No. 008/ 728 Hta dated (30-3-2010)

1. The Myanmar Investment Commission, at its meeting (3/2010) held on (26-1-2010) resolved to approve the renewal of the tenure of CNPC International Ltd. (Block AD-1) in Rakhine Offshore Deep Water Area for the extension of one year.

2. Hence, the renewal of the tenure is hereby extendable for another one year commencing from (10-1-2012) to (9-1-2013) accordingly to the Permit No.413/2007 dated (10-1-2007).

3. It is also hereby notified that CNPC International Ltd. (Block AD-1) shall have to abide by all terms and conditions stated in the Commission's Letter No. Ya Ka-1/Na-583/2007(228-G) dated (10-1-2007).

Thuyain Zaw

for Chairman

(Col. Thuyain Zaw, Secretary)

Managing Director

Myanma Oil and Gas Enterprise

cc:

1. Office of the Chairman of the State Peace and Development Council
2. Office of the State Peace and Development Council
3. Office of the Government of the Union of Myanmar
4. Ministry of National Planning and Economic Development
5. Ministry of Finance and Revenue
6. Ministry of Commerce
7. Ministry of Transport
8. Ministry of Foreign Affairs
9. Ministry of Home Affairs
10. Ministry of Immigration and Population
11. Ministry of Labour
12. Ministry of Electric Power No(2)
13. Chairman, Foreign Capital Evaluation Committee
14. Director General, Directorate of Investment and Company Administration
15. Director General, Customs Department
16. Director General, Internal Revenue Department
17. Managing Director, Myanma Foreign Trade Bank
18. Managing Director, Myanma Investment and Commercial Bank
19. Managing Director, Myanma Insurance
20. Managing Director, Myanma Electric Power Enterprise
21. Director General, Directorate of Trade
22. Director General, Immigration and National Registration Department.
23. Director General, Directorate of Labour
24. Chairman, Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)
25. Managing Director, CNPC International Ltd. (Block AD-1).

GOVERNMENT OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

Our ref : Ya Ka-1/Na- 583 /2007(228- G)
Dated : 10th January 2007.

Tel : 067406334,406075
Fax : 95-67-406333

Subject : Decision of the Myanmar Investment Commission on the Proposal for "Crude Oil and Natural Gas Exploration and Production for Block AD-1" under the name of "CNPC International Limited."

Reference: Ministry of Energy, Letter No. 008/728/Hta dated(1.1.2007).

1. The Myanmar Investment Commission, at its meeting (1/2007) held on (4-1-2007), had reviewed the proposals for investment in "Crude Oil and Natural Gas Exploration and Production" for Block AD-1, Rakhine Offshore [Deep Water] Area under the name of "CNPC International Limited " pursuant to the Production Sharing Contract to be signed between Myanma Oil and Gas Enterprise and CNPC International Limited, registered in Caymand Islands. After careful review, it was deliberated that the proposed project be approved in principle for implementation and the proposal be submitted to the Cabinet meeting for final approval.

2. The Cabinet, at its meeting (2/2007) held on (10 -1 -2007), resolved to permit the implementation of the said project. Hence, the "Permit" is herewith issued in accordance with Chapter VI, Section 10 of the Union of Myanmar Foreign Investment Law and Chapter VI, Rule 13 of the Procedures relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be an initial term of 20(Twenty) years, comprising 3(Five) years for the exploration period and 2 (Two) years for the extension of the exploration period.

4. CNPC International Limited shall pay royalty to the Government equal to 10%(Ten) percent of the value of Available Petroleum from the Contract Area.

5. CNPC International Limited shall pay to the amount of US $ 10,000,000 (United States Dollars Ten Million Only) as Signature Bonus within 20(Twenty) days after signing the Production Sharing Contract.

6. Production Split between Myanma Oil and Gas Enterprise and CNPC International Limited shall be allocated for Development and Production Area as follows:-

Crude Oil

Water Depth 2000 feet or less

BOPD	MOGE(%)	CONTRACTOR(%)
0 – 25,000	60	40
25001 – 50,000	65	35
50,001 – 100,000	80	20
100,001 – 150,000	85	15
Above 150,000	90	10

Water Depth more than 2000 feet

BOPD	MOGE(%)	CONTRACTOR(%)
0 – 25,000	60	40
25001 – 50,000	65	35
50,001 – 100,000	75	25
100,001 – 150,000	80	20
Above 150,000	85	15

Natural Gas

Water Depth 2000 feet or less

MMCFD	MOGE(%)	CONTRACTOR(%)
0 – 300	65	35
301 – 600	75	25
601 – 900	85	15
Above 900	90	10

Water Depth more than 2000 feet

MMCFD	MOGE(%)	CONTRACTOR(%)
0 - 300	55	45
301 – 600	60	40
601 – 900	70	30
Above 900	75	25

8. CNPC International Limited shall pay Production Bonus to Myanma Oil and Gas Enterprise with respect to each Crude Oil and Natural Gas development and production area as follows:

Productution Bonus

Crude Oil

At BOPD	US $(MILLION)
Upon approval of Development Plan	1.00
25,000	2.00
50,000	3.00
100,000	4.00
150,000	5.00
200,000	10.00

Natural Gas

At MMCFD	US $(MILLION)
Upon approval of Development Plan	1.00
150	2.00
300	3.00
600	4.00
750	5.00
900	10.00

9. After the commencement of commercial production of Crude Oil, shall fulfil as its obligation 20%(Twenty) percent of Crude Oil and 25% (Twenty Five) percent of Natural Gas toward the supply of the domestic Crude Oil and Natural Gas market in Myanmar. Myanma Oil and Gas Enterprise shall pay the price equivalent of 90%(Ninety) percent of the Fair Market Value.

10. CNPC International Limited shall provide Training Fund to the amount of US $ 50,000 (United States Dollars Fifty Thousand Only) per annum for Exploration Period and US $ 100,000(United States Dollars One Hundred Thousand Only) per annum for Development and Production Period shall also provide Research and Development Fund to the amount of 0.5%(Zero Point Five) percent of its share of profit Petroleum in favour of Myanma Oil and Gas Enterprise.

11. CNPC International Limited is liable to pay the Government the following tranches out of the net profit made on the sale or transfer of the shares in the Company.

(a)	If the amount of Net Profit is up to and including US$ 100 million (United States Dollars One Hundred Million Only)	40%
(b)	If the amount of Net Profit is between US$ 100 million and US$ 150 million (United States Dollars One Hundred Million Only and United States Dollars One Hundred and Fifty Million Only)	45%
(c)	If the amount of Net Profit is over US$ 150 million (United States Dollars One Hundred and Fifty Million Only)	50%

12. In issuing this "Permit", the Commission has granted the following exemptions and relief:

(a) As per Section – 21(e), CNPC International Limited shall have the right to pay income-tax payable to the State on behalf of foreigners who have come from abroad and are employed for the project.

(b) As per Section – 21(f), the Commission has also approved the right to pay income-tax on the income of the above-mentioned foreigners at the rates applicable to the citizens residing within the country.

(c) As per Section – 21(i) and (j), exemption from customs duty and all other internal taxes on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which they are imported as they are actually required, and also on such raw materials imported during the period of exploration.

13. CNPC International Limited shall have to sign the Production Sharing Contract with Myanma Oil and Gas Enterprise. After signing such Agreement, (5) copies each of those shall have to be forwarded to the Commission.

14. CNPC International Limited in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

15. CNPC International Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

16. The official date of operation shall be reported to the Commission.

17 CNPC International Limited shall endeavour to meet the targets for Exploration and Production of Petroleum stated in the proposal as the minimum target.

18. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal. CNPC International Limited shall have to consult with Directorate of Labour, Ministry of Labour for appointment of such foreign experts and technicians.

19. In order to evaluate foreign capital in terms of Kyats and for the purpose of its registration in accordance with the provision under Section-24 of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened;

(b) the detailed lists of the type and value of foreign capital defined under Section-2(h) of the said Law, other than foreign currency, to the Chairman, Foreign Capital Evaluation Committee.

20. Whenever brings in foreign capital defined under Section-2(h) of the said Law, other than foreign currency in the manner stated in paragraph 19(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

21. After all types of foreign capital (foreign currency and other types of foreign capital) have been brought into Myanmar, a report shall have to be submitted to the Commission as prescribed, vide letter No. Na-Ya 9/101/92(416) dated 3-12-92 [Annexure (1)]

22. CNPC International Limited shall report to the Commission of any alteration in the physical and financial plan of the project. Cost over run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

23. CNPC International Limited shall be responsible for the preservation of the environment at and around the area of the project site. Hence, it shall observe the directive issued by the Commission vide letter No.Ya Ka-1/139/94(0440) dated 30-6-94[Annexure(2)] to undertake all proper treatment systems and other necessary environmental control systems.

24. Payment of principal and interest of the loan(if any) as well as payment for import of raw materials and spare parts etc. shall only be made out of the official foreign exchange earnings of CNPC International Limited

25. CNPC International Limited in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter VIII, Rule 15 of the Procedures relating to the Union of Myanmar Foreign Investment Law.

(U Thaung)
Chairman

Director General
Energy Planning Department

cc:
1. Office of the Chairman of State Peace and Development Council
2. Office of the State Peace and Development Council
3. Office of the Government of the Union of Myanmar
4. Ministry of National Planning and Economic Development
5. Ministry of Finance and Revenue
6. Ministry of Commerce
7. Ministry of Energy
8. Ministry of Foreign Affairs
9. Ministry of Home Affairs
10. Ministry of Immigration and Population
11. Ministry of Labour
12. Ministry of Electric Power (2)
13. Chairman, Foreign Capital Evaluation Committee
14. Director General, Directorate of Investment and Company Administration
15. Director General, Customs Department
16. Director General, Internal Revenue Department
17. Managing Director, Myanma Oil and Gas Enterprise
18. Managing Director, Myanma Foreign Trade Bank
19. Managing Director, Myanma Investment and Commercial Bank
20. Managing Director, Myanma Insurance
21. Managing Director, Myanma Electric Power Enterprise

22. Director General, Directorate of Trade
23. Director General, Immigration and National Registration Department
24. Director General, Directorate of Labour
25. Chairman, Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)